

Company Registration No. 07694050 (England and Wales)

THE WOODLAND ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2019

THE WOODLAND ACADEMY TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 9
Governance statement	10 - 12
Statement on regularity, propriety and compliance	13
Statement of Trustees' responsibilities	14
Independent auditor's report on the accounts	15 - 17
Independent reporting accountant's report on regularity	18 - 19
Statement of financial activities	20 - 21
Balance sheet	22
Cash flow statement	23
Notes to the accounts	24 - 44

THE WOODLAND ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Dr D Absalom (appointed 28.09.2018)
Mrs E Aiyere
Mrs H Daley (appointed 14.05.2019)
Mr F Green
Mr M Green (ceased 06.02.2019)
Mr D Laws
Mr A Russell (ceased 26 September 2018)

Directors (Trustees)

Dr D Absalom (appointed 1 September 2018)
(Chair from 28 September 2018)
Ms C Chukwujekwu
Ms H Daley (ceased 25.03.2019)
Mr K Giwa (appointed 1 September 2018)
Miss R Johnson
Mr D Morrow (CEO and Accounting Officer)
Mr N Riddington
Mr J Rouncefield
Mr A Russell (Chair, ceased 26 September 2018)

Senior Leadership Team

Chief Executive Officer and Accounting Officer	Mr D Morrow
Chief Operating Officer and Principal Finance Officer	Mrs S Ashton
Director of Education	Mrs J Carson
Executive Officer	Mrs D Sydee
Opportunities Director	Mrs T Blackman
Executive Head Teacher	Miss C Ingrams
Executive Head Teacher	Mr P Powell
Head of School, Knockhall	Mrs S Tiwana
Head of School, Northumberland Heath	Mr P Sharpe (KS2)
Head of School, Northumberland Heath	Mrs L Rogers (KS1 and Early Years)
Head of School, Peareswood	Mrs C Ferla
Head of School, Willow Bank	Mrs M Malhi

Company registration number 07694050 (England and Wales)

Registered office

The Woodland Academy Trust
c/o Northumberland Heath Primary School
Wheelock Close
Erith
Kent
DA8 1JE
United Kingdom

Academies operated

Location

Knockhall Primary School	Kent
Northumberland Heath Primary School	Erith
Peareswood Primary School	Erith
Willow Bank Primary School	Thamesmead

THE WOODLAND ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor	Baxter & Co Lynwood House Crofton Road Orpington Kent BR6 8QE
Bankers	Lloyds TSB Bank PLC 78 New Road Gravesend Kent DA11 0AR
Solicitors	Browne Jacobson LLP 15 th floor 6 Bevis Marks London EC3A 7BA

THE WOODLAND ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2019. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2018/19 issued by the ESFA.

The principal activity of the company is the operation of four state-funded academies, providing education for students aged 3 to 11. The pupil capacity of the Trust is as follows:

- Knockhall Primary School offers 90 places for Reception intake and a 52-place nursery.
- Northumberland Heath Primary School offers 90 places for Reception intake and a 52-place nursery;
- Peareswood Primary School offers 60 places for Reception intake and a 52-place nursery; and
- Willow Bank Primary School offers 60 places for Reception intake.

The total FTE pupils within the Trust as at the school census on 17th January 2019 was 1913.

Structure, governance and management

Constitution

The charitable company is known as The Woodland Academy Trust.

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trust operates a three-tier governance structure:

- 1 Members
- 2 Board of Trustees
- 3 Regional Governing Board (overseeing the Bexley schools) and Local Governing Body (overseeing the Kent school)

The Trustees of The Woodland Academy Trust are also the Directors of the charitable company for the purposes of company law.

Details of the Trustees who served during the year are included in the Reference and Administrative Details included on page 1 of these accounts.

Members' liability

Every Member of the Company undertakes to contribute such amount as may be required (not exceeding £10) to the Company's assets if it should be wound up while he or she is a Member or within one year after he or she ceases to be a Member, for payment of the Company's debts and liabilities before he or she ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

Trustees' indemnities

The Trust has not provided any indemnities to any third parties on behalf of any Trustees.

Method of recruitment and appointment or election of Members and Trustees

In accordance with the adopted Articles of Association, the Members of the charitable company comprise:

- a) The Members of the Company on the date of the adoption of the Articles of Association;
- b) The Chairman of the Board of Trustees
- c) any person appointed under Article 15A

THE WOODLAND ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The Members may agree unanimously in writing to appoint such additional Members as they think fit and may unanimously (save that the agreement of the Member(s) to be removed shall not be required) in writing agree to remove any such additional Members.

As at 31 August 2019, the Board of Trustees comprised of the following:

- a) 3 Trustees appointed by Members
- b) The Chief Executive Officer
- c) 3 Trustees appointed by the Board (formerly Academy Trustees)

When a vacancy arises, the Members and Trustees seek to make an appointment that would maximise the relevant skills and experience on the Board and enable it to comprise appropriately qualified and experienced Trustees.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees and Governors will depend on their existing experience. Mandatory induction training for Governors takes place within their first two terms following appointment. All Trustees are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as Trustees.

Governance training undertaken over the last year included the following:

- GDPR Data Protection
- Health and Safety Induction
- Safeguarding Children
- Safer Recruitment
- New Ofsted Framework

Online training is also provided through access to The Key School for School Leaders and Governors and the National Governance Association.

Organisational structure

The Board of Trustees comprise those persons appointed under the Articles of Association as described earlier herein.

Trustees delegate specific responsibilities to the Regional Governing Board (Bexley) and Local Governing Body (Kent), the activities of which are reported to and discussed at the Board of Trustees' meetings. Day to day management of the company is undertaken by the Chief Executive Officer supported by the Trust Business Team. Their work also encompasses the Academy Sponsor role of Northumberland Heath Primary School. The day to day running of each school is undertaken by that school's Head, supported by their Senior Leadership Team.

The Chief Executive Officer is the Accounting Officer and the Chief Operating Officer is the Principal Finance Officer.

Dr Deborah Absalom, signatory to these accounts, was appointed as a Trustee on 1st September 2018 and appointed as Chair of the Board on 28th September 2018. Mr Alan Russell (Chair of Board of Trustees and Member) resigned on 27th September 2018.

Arrangements for setting pay and remuneration of key management personnel

The Trust and School Senior Leadership Teams are the key management personnel of the Trust. Trustees are also senior management although they receive no pay or other remuneration in respect of their role as Trustees. Where staff Trustees are in place, they receive remuneration for their role as staff and their pay is determined in the same way as applicable to all other staff. Further details of remuneration paid to staff who are Trustees is set out within the notes to the accounts.

THE WOODLAND ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees make determinations of pay in accordance with the Trust's Pay Policy. The Board of Trustees has fully delegated powers and is established in accordance with the appropriate school governance regulations. The Board of Trustees sets the pay of the Chief Executive Officer who must demonstrate sustained high quality of performance, with regard to leadership, management and school improvement across the Trust's schools.

The pay of Senior Leadership team members is also approved by the Board of Trustees again having regard to performance against previously agreed objectives.

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

Percentage of time spent on facility time

Percentage of time	Number of Employees
0%	0
1% - 50%	0
51% - 99%	0
100%	0

Percentage of pay bill spent on facility time

Total Cost of facility time	0
Total Pay bill	0
Percentage of the total pay bill spent on facility time	0

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0
---	---

Related Parties and other Connected Charities and Organisations

The Trust has the following community-based organisations operating from the school sites under letting arrangements:

- Toddles Wood Pre-School
- Howbury Pre-School
- Jacqueline's Gems Childcare Services at Northumberland Heath and Knockhall Primary Schools
- NHS (Oxleas) Midwifery

The Trust's partnership with the University of Greenwich offering School Direct placements delivers school based initial teacher training and offers exciting and innovative professional development days for their students.

Objectives and activities

Objects and Aims

The principal object of the company is the advancement of education in the United Kingdom. It achieves this object through the operation of The Woodland Academy Trust, the aim being to provide the highest possible standard of education and pastoral care, maximising the life-chances of its pupils.

THE WOODLAND ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

Objectives, strategies and activities

The Woodland Academy Trust is a Multi Academy Trust based in and serving communities within the London Borough of Bexley and Kent. The core business of the Woodland Academy Trust is to ensure outstanding provision and outstanding outcomes for every child within our community. We aim to do this through:

- Developing the whole child to enable them to become exceptional learners.
- Nurturing the strengths of the local community.
- Involving the extended family in the successful development of our young people.
- All staff and governors sharing a clear understanding that excellence is required at all times.
- Creating a stimulating and engaging environment which generates excitement in coming to school.

The Trust is based firmly on the WAT CAIRS approach where Care, Aspiration, Inspiration, Respect and Stewardship- a set of values which drive the vision and strategy of the Trust.

We work as a Trust family but each school has its own strategically targeted School Improvement Plan that meets the needs of that school. This plan sets out some overarching objectives for the Trust within the coming year and it builds on the previous year's progress. It is then codified within a Trust Rapid Action Plan.

Each school has a Closing the Gap Action Plan (CtGAP) in order to ensure we have relentless focus on transforming the life chances of disadvantaged pupils. The plan identifies actions to support delivery of each strategic objective – some are ongoing but others define a timescale. Milestones both report on achievements and set targets for further review actions. The update to governors is intended as a means of supporting dialogue on the plan.

Our schools' performance is measured through a variety of measures including the Government's Floor Standards as well as our own evaluation of performance through Key Performance Indicators (KPIs), Strengths, Weaknesses, Opportunities and Threats analysis (SWOT) and a RAG rated spreadsheet of comparative data. All of which are intended to act as clear indicators against which to measure our pursuit of excellence.

Significant activities linked to our charitable status involve becoming a central hub in our communities, developing our community links with local churches and organisations and signposting our most vulnerable families to the support services that they need.

Public benefit

In setting the objectives and planning the associated activities, directors have given careful consideration to the Charity Commission's general guidance on public benefit.

Strategic Report

Achievements and Performance

The Trust consolidated results continue to show improvement in the overall progress of children within Reading, Writing and Mathematics. Whilst there remain variations both within schools and between them, these have been significantly reduced by the work of the School Improvement function of the Trust. Consequently, gaps in attainment and progress have significantly narrowed for those pupils in receipt of deprivation funding and those with Special Education Needs.

Knockhall Primary School

<https://www.knockhallprimaryschool.co.uk/our-school/school-performance/>

Northumberland Heath Primary School

<https://www.northumberlandheathprimaryschool.co.uk/our-school/school-performance/>

THE WOODLAND ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

Peareswood Primary School

<https://www.peareswoodprimaryschool.co.uk/our-school/school-performance/>

Willow Bank Primary School

<https://www.willowbankprimaryschool.co.uk/our-school/school-performance/>

Key Financial Performance Indicators

Total staff costs as a % of total income
Spend per pupil on non-pay expenditure
Restricted reserves as a % of General Annual Grant
Total reserves as a % of General Annual Grant
Funded pupil numbers
General Annual Grant per pupil

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. The Board of Trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

We receive our income from different sources. Our income largely comes from central government via the Education and Skills Funding Agency who provide us with grant, based on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG).

The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants.

Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds".

Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value.

In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

THE WOODLAND ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The following balances held were held at 31 August:

Fund	Category	2019 £'000	2018 £'000
GAG	Restricted General Funds	38	235
Start Up Grant	Restricted General Funds	-	187
Other DfE / ESFA Grants	Restricted General Funds	-	-
Other Government Grants	Restricted General Funds	-	-
Other Income	Restricted General Funds	-	-
	Sub-total General Restricted Funds	38	558
Unspent Capital Grants	Restricted Fixed Asset Fund	411	985
Other Income	Unrestricted General Fund	527	569
	Sub-Total Spendable Funds	976	1,362
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	20,899	20,311
Share of LGPS Deficit	Restricted Pension Reserve	(4,607)	(2,442)
	Total All Funds	17,268	19,039

During the year under review, there was a surplus / (deficit) of £(520)k (2018: £(136)k) on general restricted funds, a surplus / (deficit) of £(42)k (2018: £(143)k) on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall reduction in funds of £(1,771)k (2018: increase of £806k).

Reserves policy

The principal policy on reserves is that the accumulation of unspent GAG balances should not breach any limits thereon set out in the Funding agreement. The level of reserves should never be in deficit. Further details are set out above under Key Performance Indicators.

Each year the Trustees review the resource requirements and grant and other income that is forecast for the coming year and an annual budget is formulated and approved.

Investment policy

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, particularly those relating to academic performance/finances/child welfare. The directors have implemented systems to assess risks that the company faces and have developed policies and procedures to mitigate those risks. Where significant financial risk remains; they have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), governors consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

THE WOODLAND ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The risk management process has been codified in a risk register implemented by the Leadership Team and overseen by Trustees.

Most of the Trust's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted. The grants received from the DfE during the period ended 31 August 2019 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Our fundraising practices

The trust and individual academies within it may organise fundraising events and appeals and co-ordinate the activities of our supporters both in the academies and in the wider community on behalf of the trust.

The trust will not use professional fundraisers or involve commercial participators.

There have been no complaints about fundraising activity this year.

The trust complies with the Fundraising Regulator's Code of Fundraising Practice.

All fundraising will be undertaken by the trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact will be made through email, academy newsletters, our websites and via students. All fundraising material will contain clear instructions on how a person can be removed from mailing lists.

Plans for the future

In February 2016, the Department for Education approved the Trust's bid to open a Free School in the Borough. Lime Wood Free School, the fifth school to join the Trust, is a brand-new school being built on the site of a disused quarry in Erith as part of a housing development. Its opening has been delayed until September 2021 and will cater initially for a Reception cohort of children with increasing capacity to 630 places for children aged 5-11 years.

This new free school will support the need for places generated by housing development planned for the Borough of Bexley and will reflect the aspirations we have for all our schools and will offer another avenue of choice for parents and pupils.

Funds Held as Custodian Trustee on Behalf of Others

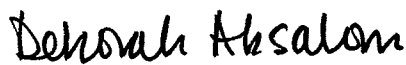
The academy trust or its Trustees do not act as custodian trustee for any third parties.

Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 4 December 2019 and signed on the Board's behalf by:



Dr D Absalom

Chair of the Board of Trustees

THE WOODLAND ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that The Woodland Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Woodland Academy Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

Attendance at meetings

The Members met formally once during the year and attendance during the year at the meetings was as follows:

Members	Meetings attended	Out of possible
Dr D Absalom	1	1
Mrs E Aiyere	1	1
Mrs H Daley (appointed 14.5.19)	0	0
Mr F Green	1	1
Mr M Green (ceased 06.02.19)	1	1
Mr D Laws	1	1
Mr A Russell	0	0

The Trustees met formally 6 times during the year and attendance during the year at meetings was as follows:

Trustees	Meetings attended	Out of possible
Dr D Absalom (appointed 01.09.2018)	6	6
Ms C Chukwujekwu	1	6
Ms H Daley (ceased 25.03.2019)	2	3
Mr K Giwa (appointed 01.09.2018)	5	6
Miss R Johnson	4	6
Mr D Morrow (EP and Accounting Officer)	6	6
Mr N Riddington	3	6
Mr J Rouncefield	6	6
Mr A Russell (Chair) (ceased 26.09.2018)	0	1

The Board of Trustees are responsible for overseeing the management of the schools' budgets, accounting records and systems of control. It establishes, maintains and develops the Trust's financial policies and accounting and budgetary systems in accordance with the Academies' Financial Handbook. It monitors the overall performance of the Trust against the objectives of the Schools' Improvement Plans and ensures the Members are kept apprised of national developments in relation to finance.

Review of Value for Money

As the Trust's Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the Trust delivers best value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. This role is undertaken seriously with due diligence applied to all matters including related parties and any conflicts which may arise.

THE WOODLAND ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during the academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data from the Education Skills and Funding Agency where available. The Accounting Officer has delivered improved value for money during the year by:

- **Raising Pupil Attainment**

The Trust regularly reviews its staffing structure in order to deploy staff efficiently to support an improved curriculum and target areas of the curriculum in need for development.

Pupil progress is assessed and tracked rigorously throughout their primary education with appropriate and timely interventions to raise attainment including one-to-one support. Free school meals children are supported through interventions funded from the Pupil Premium Grant (PPG) aimed at narrowing the attainment gap.

The Trust collaborates with other educational providers and experts to share delivery or good practice.

- **Financial governance and oversight**

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. This includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Board in terms of financial reports which indicate fiscal performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing guidelines and best value procurement;
- Delegation of authority and segregation of duties;
- Identification and management of risks;
- Income generation through lettings and bid applications.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Woodland Academy Trust for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

THE WOODLAND ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- Regular reviews by Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The external auditors conducted audit visits at mid-point and year end. Checks carried out included:

- Testing of purchase systems
- Testing of payroll systems
- Testing of control account/bank reconciliations
- Testing of income systems

In addition, the Trust central finance team oversee the financial controls in the individual schools. The role of the central team has extended to an internal audit function over the last academic year delivered by the Trust Business Associate and supported by Baxter & Co. The internal audit role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. Outcomes of the internal and external audits are recorded and reviewed on an Audit Action Tracker that is reported to Trustees each term. Copies of the internal audit reports are shared with Baxter & Co. Two internal audits were completed during the 2018/19 academic year

The Board of Trustees is satisfied that additional assurance function has been fully delivered in line as planned. No material control issues have been notified to Directors as a result of this checking work.

Review of effectiveness

During the year under review, the Accounting Officer had responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The supplementary programme of internal control checks conducted by the External Auditor
- The audit work of the External Auditor
- The financial management and governance self-assessment process
- The work of the Executive Managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- The maintenance of the Accounting Officer's Log and the ongoing external QA of this documentation by the Auditor and Chair of the Board.

The Accounting Officer has advised the Board of Trustees of the implications of the result of their review of the system of internal control.

The Trust undertakes periodic self-evaluation or external review of governance. These include:

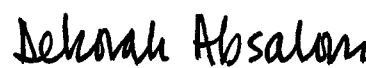
- Annual skills audits
- External review of governance (2017).

A self-evaluation and review of the effectiveness of the board is scheduled for 2019/20.

Approved by order of the Board of Trustees on 4 December 2019 and signed on its behalf by:



Mr Daniel Morrow
Chief Executive Officer and Accounting Officer



Dr D Absalom
Chair of the Board of Trustees

THE WOODLAND ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2019

As accounting officer of The Woodland Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2018.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.



Mr D Morrow
Accounting Officer

04 December 2019.

THE WOODLAND ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees (who are also the Directors of The Woodland Academy Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with the Academies Accounts Direction 2018 to 2019 published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare Financial Statements for each financial year. Under company law, the Trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 04 December 2019 and signed on its behalf by:

Deborah Absalom

Dr D Absalom
Chair of the Board of Trustees

THE WOODLAND ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WOODLAND ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2019

Opinion

We have audited the Financial Statements of The Woodland Academy Trust for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the Financial Statements' section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- the Trustees have not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Financial Statements are authorised for issue.

Other information

The Trustees are responsible for the other information, which comprises the information included in the annual report other than the Financial Statements and our auditor's report thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE WOODLAND ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WOODLAND ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report including the incorporated Strategic Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Trustees' Report including the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report, including the incorporated Strategic Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE WOODLAND ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WOODLAND ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Use of our report

This report is made solely to the charitable company's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's Members as a body, for our audit work, for this report, or for the opinions we have formed.



David John Walsh FCCA (Senior Statutory Auditor)

For and on behalf of Baxter & Co

Statutory Auditor

Chartered Certified Accountants

Lynwood House

Crofton Road

Orpington

Kent

BR6 8QE

Dated: 16 December 2019

THE WOODLAND ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WOODLAND ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2019

In accordance with the terms of our engagement letter dated 2 November 2012 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Woodland Academy Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Woodland Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Woodland Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Woodland Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Woodland Academy Trust's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of The Woodland Academy Trust's funding agreement with the Secretary of State for Education dated 1 July 2011 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
 - Review of payments to suppliers and other third parties;
 - Review of grant and other income streams;
 - Review of some key financial control procedures;
 - Discussions with finance staff;
 - Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
 - Consideration of the programme of risk review and checking of financial controls implemented by the Academy Trust in order to comply with its obligations under 2.9.6 of the Academies Financial Handbook 2018, issued by the ESFA.
-

THE WOODLAND ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WOODLAND ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Baxter & Co
Independent Reporting Accountants
Chartered Certified Accountants
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 16 December 2019

THE WOODLAND ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2019 £'000	Total 2018 £'000
Income and endowments from:						
Donations and capital grants	3	63	-	390	453	1,210
Charitable activities:						
- Funding for educational operations	4	172	9,985	-	10,157	10,171
Other trading activities	5	62	-	-	62	51
Investments	6	3	-	-	3	5
Total		<u>300</u>	<u>9,985</u>	<u>390</u>	<u>10,675</u>	<u>11,437</u>
Expenditure on:						
Raising funds	7	-	-	-	-	6
Charitable activities:						
- Educational operations	9	344	10,806	500	11,650	11,530
Total	7	<u>344</u>	<u>10,806</u>	<u>500</u>	<u>11,650</u>	<u>11,536</u>
Net expenditure		(44)	(821)	(110)	(975)	(99)
Transfers between funds	18	-	(124)	124	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	20	-	(1,604)	-	(1,604)	905
Net movement in funds		(44)	(2,549)	14	(2,579)	806
Reconciliation of funds						
Total funds brought forward		<u>569</u>	<u>(2,020)</u>	<u>21,296</u>	<u>19,845</u>	<u>19,039</u>
Total funds carried forward		<u>525</u>	<u>(4,569)</u>	<u>21,310</u>	<u>17,266</u>	<u>19,845</u>

THE WOODLAND ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

SUPPLEMENTARY NOTE:
COMPARATIVE INFORMATION FOR THE
YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2018 £'000
Income and endowments from:					
Donations and capital grants	3	72	6	1,132	1,210
Charitable activities:					
- Funding for educational operations	4	164	10,007	-	10,171
Other trading activities	5	51	-	-	51
Investments	6	5	-	-	5
Total		<u>292</u>	<u>10,013</u>	<u>1,132</u>	<u>11,437</u>
Expenditure on:					
Raising funds	7	-	6	-	6
Charitable activities:					
- Educational operations	9	435	10,508	587	11,530
Total	7	<u>435</u>	<u>10,514</u>	<u>587</u>	<u>11,536</u>
Net income/(expenditure)		(143)	(501)	545	(99)
Transfers between funds	18	-	(62)	62	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	20	-	905	-	905
Net movement in funds		<u>(143)</u>	<u>342</u>	<u>607</u>	<u>806</u>
Reconciliation of funds					
Total funds brought forward		712	(2,362)	20,689	19,039
Total funds carried forward		<u>569</u>	<u>(2,020)</u>	<u>21,296</u>	<u>19,845</u>

THE WOODLAND ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019		2018	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	13		20,899		20,311
Current assets					
Debtors	14	512		862	
Cash at bank and in hand		1,206		1,766	
		<u>1,718</u>		<u>2,628</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(734)		(652)	
Net current assets			984		1,976
Total assets less current liabilities			21,883		22,287
Creditors: amounts falling due after more than one year	16		(10)		-
Net assets before defined benefit pension scheme liability			21,873		22,287
Defined benefit pension scheme liability	20		(4,607)		(2,442)
Total net assets			<u>17,266</u>		<u>19,845</u>
Funds of the Academy Trust:					
Restricted funds	18				
- Fixed asset funds			21,310		21,296
- Restricted income funds			38		422
- Pension reserve			(4,607)		(2,442)
Total restricted funds			16,741		19,276
Unrestricted income funds	18		525		569
Total funds			<u>17,266</u>		<u>19,845</u>

The Financial Statements on pages 20 to 44 were approved by the Trustees and authorised for issue on 04 December 2019 and are signed on their behalf by:

Behroah Absalom

Dr D Absalom
Chair of the Board of Trustees

Company Number 07694050

THE WOODLAND ACADEMY TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £'000	£'000	2018 £'000	£'000
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	21		28		(958)
Cash flows from investing activities					
Dividends, interest and rents from investments		3		5	
Capital grants from DfE Group		390		1,132	
Purchase of tangible fixed assets		(1,002)		(108)	
Net cash (used in)/provided by investing activities			(609)		1,029
Cash flows from financing activities					
Repayment of long term bank loan		21		-	
Net cash provided by/(used in) financing activities			21		-
Net (decrease)/increase in cash and cash equivalents in the reporting period			(560)		71
Cash and cash equivalents at beginning of the year			1,766		1,695
Cash and cash equivalents at end of the year			<u>1,206</u>		<u>1,766</u>

THE WOODLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation

The Financial Statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Woodland Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the Financial Statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

1.3 Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance Sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

THE WOODLAND ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Academy Trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the Financial Statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

Interest Receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

These are costs incurred on the Academy Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

THE WOODLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £25,000) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Where tangible fixed assets have been acquired / funded by other income, the fixed asset fund is also credited. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold land & buildings	50 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	3 years straight line

Fixed Asset Transfer from Predecessor School / Existing Academy Trust

Where fixed assets were transferred to the charitable company, these have been included at a value determined in accordance with the policy described below:

Land

Where land is owned (or occupied under the terms of long term lease), subject to a legally binding restriction as to its use, it is included at a valuation that assumes continuation of existing use. Leasehold land is not depreciated until the unexpired period of the lease is 50 years or less, at which time it is depreciated over the remaining term of the lease.

Buildings

In accordance with the requirements of FRS 102, specialist buildings transferred are recognised at their fair value at the time of the transfer. Future depreciation is charged over the estimated remaining useful life of the buildings.

Other Fixed Assets

Other fixed assets transferred are also included at fair value (subject to the capitalisation limit set).

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

1.6 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

THE WOODLAND ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement basis are as follows.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

THE WOODLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.11 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

2 Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Academy Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

THE WOODLAND ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000
Capital grants	-	390	390	1,132
Other donations	63	-	63	78
	<u>63</u>	<u>390</u>	<u>453</u>	<u>1,210</u>

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	7,905	7,905	7,895
Other DfE group grants	-	1,469	1,469	1,405
	<u>-</u>	<u>9,374</u>	<u>9,374</u>	<u>9,300</u>
Other government grants				
Local authority grants	-	611	611	707
	<u>-</u>	<u>611</u>	<u>611</u>	<u>707</u>
Other funding				
Catering income	105	-	105	124
Other incoming resources	67	-	67	40
	<u>172</u>	<u>-</u>	<u>172</u>	<u>164</u>
Total funding	<u>172</u>	<u>9,985</u>	<u>10,157</u>	<u>10,171</u>

All resources expended are inclusive of irrecoverable VAT.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000
Hire of facilities	62	-	62	51
	<u>62</u>	<u>-</u>	<u>62</u>	<u>51</u>

THE WOODLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000
Short term deposits	3	-	3	5

7 Expenditure

	Staff costs £'000	Non Pay Expenditure Premises £'000	Other £'000	Total 2019 £'000	Total 2018 £'000
Expenditure on raising funds					
- Direct costs	-	-	-	-	6
Academy's educational operations					
- Direct costs	7,080	330	953	8,363	8,375
- Allocated support costs	1,640	796	851	3,287	3,155
	<u>8,720</u>	<u>1,126</u>	<u>1,804</u>	<u>11,650</u>	<u>11,536</u>

Net income/(expenditure) for the year includes:

	2019 £'000	2018 £'000
Fees payable to auditor for:		
- Audit	10	10
- Other services	24	24
Operating lease rentals	6	6
Depreciation of tangible fixed assets	414	394
Net interest on defined benefit pension liability	62	68

Included within expenditure are the following transactions:

	2019 £
Gifts made by the Academy Trust - total	<u>1,078</u>

Clarification - While the majority of disclosure in these accounts are rounded to £'000, disclosure of gifts is not. The value of gifts for the year is £1,078 (and not £1,078k).

8 Central services

The Academy Trust has provided the following central services to its academies during the year:

- human resources;
- financial services;
- business services;
- leadership - Executive Principal
- IT services

THE WOODLAND ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

8 Central services

The Academy Trust Charges for these services on the basis of a percentage of GAG, calculated by reference to pupil numbers.

The amounts charged during the year were as follows:

	2019	2018
	£'000	£'000
Northumberland Heath Primary School	350	170
Peareswood Primary School	246	119
Willow Bank Primary School	277	123
Limewood Primary School	-	-
Knockhall Primary School	251	7
	<u>1,124</u>	<u>419</u>

9 Charitable activities

	Unrestricted	Restricted	Total	Total
	funds	funds	2019	2018
	£'000	£'000	£'000	£'000
Direct costs				
Educational operations	237	8,126	8,363	8,375
Support costs				
Educational operations	107	3,180	3,287	3,155
	<u>344</u>	<u>11,306</u>	<u>11,650</u>	<u>11,530</u>

Analysis of costs

	2019	2018
	£'000	£'000
Direct costs		
Teaching and educational support staff costs	7,080	6,867
Staff development	144	160
Depreciation	330	315
Technology costs	120	168
Educational supplies and services	289	345
Educational consultancy	221	363
Other direct costs	179	157
	<u>8,363</u>	<u>8,375</u>

THE WOODLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

9 Charitable activities

Support costs

Support staff costs	1,141	996
Defined benefit pension scheme - staff costs (FRS102 adjustment)	499	359
Depreciation	84	79
Maintenance of premises and equipment	332	463
Cleaning	160	153
Energy costs	103	102
Rent, rates and other occupancy costs	64	60
Insurance	53	47
Catering	456	466
Defined benefit pension scheme - finance costs (FRS102 adjustment)	62	68
Other support costs	201	214
Governance costs	132	148
	<u>3,287</u>	<u>3,155</u>

10 Staff

Staff costs

Staff costs during the year were:

	2019 £'000	2018 £'000
Wages and salaries	6,020	5,507
Social security costs	535	476
Pension costs	909	823
Defined benefit pension scheme - staff costs (FRS102 adjustment)	499	359
	<u>7,963</u>	<u>7,165</u>
Amounts paid to employees	7,963	7,165
Agency staff costs	645	1,057
Staff restructuring costs	112	-
	<u>8,720</u>	<u>8,222</u>
Total staff expenditure	8,720	8,222
	<u>8,720</u>	<u>8,222</u>
Staff restructuring costs comprise:		
Severance payments	112	-
	<u>112</u>	<u>-</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs above are 4 non-statutory/non-contractual severance payments of £14k, £11k, £11k and £4k (2018: £nil).

THE WOODLAND ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

10 Staff

Staff numbers

The average number of persons employed by the Academy Trust during the year was as follows:

	2019	2018
	Number	Number
Teachers	74	71
Administration and support	119	126
Management	27	25
	<u>220</u>	<u>222</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2019	2018
	Number	Number
Teachers	66	69
Administration and support	99	106
Management	27	25
	<u>192</u>	<u>200</u>

Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2019	2018
	Number	Number
£60,000 - £70,000	2	6
£70,001 - £80,000	1	2
£80,001 - £90,000	2	1
£110,001 - £120,000	1	1
	<u>6</u>	<u>10</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £961,420 (2018: £817,397).

THE WOODLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

11 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Executive Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Principal and staff members under their contracts of employment, and not in respect of their services as Trustees.

The value of Trustees' remuneration and other benefits was as follows:

D Morrow (Executive Principal):

- Remuneration £115,000 - £120,000 (2018: £110,000 - £115,000)
- Employer's pension contributions £15,000 - £20,000 (2018: £15,000 - £20,000)

During the year, expenses payments totalling £687 (2018: £286) were reimbursed or paid directly to 2 Trustees (2018: 1 Trustee).

Other related party transactions involving the Trustees are set out within the related parties note.

12 Trustees and officers insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim. The costs were not separately identifiable.

13 Tangible fixed assets

	Leasehold land & buildings £'000	Computer equipment £'000	Fixtures, fittings & equipment £'000	Total £'000
Cost				
At 1 September 2018	21,625	220	206	22,051
Additions	1,002	-	-	1,002
At 31 August 2019	22,627	220	206	23,053
Depreciation				
At 1 September 2018	1,474	161	105	1,740
Charge for the year	316	54	44	414
At 31 August 2019	1,790	215	149	2,154
Net book value				
At 31 August 2019	20,837	5	57	20,899
At 31 August 2018	20,151	59	101	20,311

Leasehold land is included above at a net book value of £5,858k.

THE WOODLAND ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

14 Debtors	2019 £'000	2018 £'000
Trade debtors	19	8
VAT recoverable	60	108
Other debtors	9	-
Prepayments and accrued income	424	746
	<u>512</u>	<u>862</u>
	<u>512</u>	<u>862</u>
15 Creditors: amounts falling due within one year	2019 £'000	2018 £'000
Loans	11	-
Other taxation and social security	140	128
ESFA creditors - abatement of GAG	-	62
Other creditors	107	100
Accruals and deferred income	476	362
	<u>734</u>	<u>652</u>
	<u>734</u>	<u>652</u>
16 Creditors: amounts falling due after more than one year	2019 £'000	2018 £'000
Loans	10	-
	<u>10</u>	<u>-</u>
	<u>10</u>	<u>-</u>
Analysis of loans		
Wholly repayable within five years	21	-
Less: included in current liabilities	(11)	-
	<u>10</u>	<u>-</u>
Amounts included above	<u>10</u>	<u>-</u>
	<u>10</u>	<u>-</u>
Loan maturity		
Debt due in one year or less	11	-
Due in more than one year but not more than two years	10	-
	<u>21</u>	<u>-</u>
	<u>21</u>	<u>-</u>

During 2018/19 the Trust received a CIF loan as part of the Heating and Water upgrade work at Knockhall Primary School. The loan is repayable over two years, at an interest rate of 1.85%.

THE WOODLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

17 Deferred income	2019 £'000	2018 £'000
Deferred income is included within:		
Creditors due within one year	377	160
Deferred income at 1 September 2018	160	170
Released from previous years	(160)	(170)
Resources deferred in the year	377	160
Deferred income at 31 August 2019	377	160

Deferred income includes Start-up funding in respect of Lime Wood Free school of £185k (2018: £nil), together with Universal Free School Meals of £115k (2018: £135k), £25k (2018: £24k) of rates grant funding and £52k (2018: £nil) of Early Years Funding which was received in 2018/2019 but which relates to 2019/2020.

18 Funds

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	235	8,092	(8,165)	(124)	38
Start up grants	187	(187)	-	-	-
Other DfE / ESFA grants	-	435	(435)	-	-
Pupil premium	-	1,034	(1,034)	-	-
Other government grants	-	611	(611)	-	-
Pension reserve	(2,442)	-	(561)	(1,604)	(4,607)
	<u>(2,020)</u>	<u>9,985</u>	<u>(10,806)</u>	<u>(1,728)</u>	<u>(4,569)</u>
Restricted fixed asset funds					
Inherited on conversion	13,650	-	(174)	-	13,476
DfE group capital grants	2,327	390	(163)	-	2,554
Capital expenditure from GAG and other funds	5,319	-	(163)	124	5,280
	<u>21,296</u>	<u>390</u>	<u>(500)</u>	<u>124</u>	<u>21,310</u>
Total restricted funds	<u>19,276</u>	<u>10,375</u>	<u>(11,306)</u>	<u>(1,604)</u>	<u>16,741</u>
Unrestricted funds					
General funds	569	300	(344)	-	525
Total funds	<u>19,845</u>	<u>10,675</u>	<u>(11,650)</u>	<u>(1,604)</u>	<u>17,266</u>

THE WOODLAND ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

18 Funds

The specific purposes for which the funds are to be applied are as follows:

The Restricted General Funds are used to fund the general operating costs of the Academy.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

The Restricted LGPS Fund represents the Academy Trust's share of the LGPS Pension Fund deficit.

The Restricted Fixed Asset Fund represents the net book value of fixed assets £20,899k (2018: £20,311k) plus the unspent element of capital grants £411k (2018: £985k). When fixed assets are purchased the fund is increased and depreciation charges reduce the fund.

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes.

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2017 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
Restricted general funds					
General Annual Grant (GAG)	177	7,895	(7,775)	(62)	235
Start up grants	187	-	-	-	187
Other DfE / ESFA grants	94	394	(488)	-	-
Pupil premium	76	1,011	(1,087)	-	-
Other government grants	24	707	(731)	-	-
Other restricted funds	-	6	(6)	-	-
Pension reserve	(2,920)	-	(427)	905	(2,442)
	<u>(2,362)</u>	<u>10,013</u>	<u>(10,514)</u>	<u>843</u>	<u>(2,020)</u>
Restricted fixed asset funds					
Transfer on conversion	13,824	-	(174)	-	13,650
DfE group capital grants	1,441	1,132	(246)	-	2,327
Capital expenditure from GAG and other funds	5,424	-	(167)	62	5,319
	<u>20,689</u>	<u>1,132</u>	<u>(587)</u>	<u>62</u>	<u>21,296</u>
Total restricted funds	<u>18,327</u>	<u>11,145</u>	<u>(11,101)</u>	<u>905</u>	<u>19,276</u>
Unrestricted funds					
General funds	712	292	(435)	-	569
Total funds	<u>19,039</u>	<u>11,437</u>	<u>(11,536)</u>	<u>905</u>	<u>19,845</u>

THE WOODLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

18 Funds

Total funds analysis by academy

	2019 £'000	2018 £'000
Fund balances at 31 August 2019 were allocated as follows:		
Northumberland Heath Primary School	428	529
Peareswood Primary School	85	222
Willow Bank Primary School	73	238
Limewood Primary School	-	-
Knockhall Primary School	(23)	2
	<u>563</u>	<u>991</u>
Total before fixed assets fund and pension reserve		
Restricted fixed asset fund	21,310	21,296
Pension reserve	(4,607)	(2,442)
	<u>17,266</u>	<u>19,845</u>
Total funds	<u>17,266</u>	<u>19,845</u>

The deficit at Knockhall Primary School arises from the Trust addressing historic under-spends in key areas. A recovery plan is in place, monitored by management and trustees. It is expected that reserves will improve within the next two years.

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2019 £'000	Total 2018 £'000
Northumberland Heath Primary School	2,667	1,114	84	383	4,248	3,880
Peareswood Primary School	1,577	150	82	630	2,439	2,522
Willow Bank Primary School	1,322	139	80	548	2,089	2,205
Limewood Primary School	-	-	-	-	-	-
Knockhall Primary School	1,514	237	43	666	2,460	2,535
	<u>7,080</u>	<u>1,640</u>	<u>289</u>	<u>2,227</u>	<u>11,236</u>	<u>11,142</u>

THE WOODLAND ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	20,899	20,899
Current assets	525	782	411	1,718
Creditors falling due within one year	-	(734)	-	(734)
Creditors falling due after one year	-	(10)	-	(10)
Defined benefit pension liability	-	(4,607)	-	(4,607)
Total net assets	525	(4,569)	21,310	17,266

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	20,311	20,311
Current assets	1,643	-	985	2,628
Creditors falling due within one year	(1,074)	422	-	(652)
Defined benefit pension liability	-	(2,442)	-	(2,442)
Total net assets	569	(2,020)	21,296	19,845

20 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Bexley and Kent County Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £107k (2018: £100k) were payable to the schemes at 31 August 2019 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

THE WOODLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

20 Pension and similar obligations

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million;
- an employer cost cap of 10.9% of pensionable pay; and
- the assumed real rate of return is 2.4% in excess of prices. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

Scheme Changes

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to the TPS in the period amounted to £519k (2018: £470k).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 13.8% to 19.8% for employers and 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of Academy Trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

THE WOODLAND ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

20 Pension and similar obligations

Total contributions made	2019	2018
	£'000	£'000
Employer's contributions	390	353
Employees' contributions	135	117
Total contributions	525	470

Principal actuarial assumptions	2019	2018
	%	%
Rate of increase in salaries	3.50 to 3.65	3.6 to 3.8
Rate of increase for pensions in payment/inflation	2.10 to 2.15	2.2 to 2.3
Discount rate for scheme liabilities	1.80 to 1.90	2.7 to 2.8
CPI Inflation	2.0 to 2.15	2.1 to 2.3

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2019	2018
	Years	Years
Retiring today		
- Males	22.1 to 23.2	23.1
- Females	24.0 to 26.2	25.2 to 26.1
Retiring in 20 years		
- Males	23.7 to 25.4	25.3
- Females	25.8 to 28.5	27.5 to 28.4

Scheme liabilities have been measured at £10,949k. In the event that assumptions changed as indicated, they would have been measured as follows:

	2019	2018
	£'000	£'000
Discount rate + 0.1%	10,679	7,639
Mortality assumption + 1 year	11,179	7,996
Salary Increase Rate + 0.1%	10,987	7,864
Pensions Increase Rate + 0.1%	11,218	8,025

Defined benefit pension scheme net liability

Scheme assets	6,342	5,391
Scheme obligations	(10,949)	(7,833)
Net liability	(4,607)	(2,442)

THE WOODLAND ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

20 Pension and similar obligations

The Academy Trust's share of the assets in the scheme	2019 Fair value £'000	2018 Fair value £'000
Equities	3,181	2,467
Gilts	8	8
Other Bonds	1,250	924
Cash/Liquidity	140	34
Property	653	616
Other assets	1,110	1,342
Total market value of assets	<u>6,342</u>	<u>5,391</u>

The actual return on scheme assets was £462,000 (2018: £210,000).

Amount recognised in the Statement of Financial Activities	2019 £'000	2018 £'000
Current service cost	653	712
Past service cost	236	-
Interest income	(157)	(126)
Interest cost	219	194
Total operating charge	<u>951</u>	<u>780</u>

Changes in the present value of defined benefit obligations	2019 £'000
At 1 September 2018	7,833
Current service cost	638
Interest cost	219
Employee contributions	135
Actuarial loss/(gain)	1,924
Benefits paid	(36)
Past service cost	236
At 31 August 2019	<u>10,949</u>

THE WOODLAND ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

20 Pension and similar obligations

Changes in the fair value of the Academy Trust's share of scheme assets

	2019
	£'000
At 1 September 2018	5,391
Interest income	142
Actuarial gain	320
Employer contributions	390
Employee contributions	135
Benefits paid	(36)
	<u>6,342</u>
At 31 August 2019	<u>6,342</u>

21 Reconciliation of net expenditure to net cash flow from operating activities

	2019	2018
	£'000	£'000
Net expenditure for the reporting period (as per the statement of financial activities)	(975)	(99)
Adjusted for:		
Capital grants from DfE and other capital income	(390)	(1,132)
Investment income receivable	(3)	(5)
Defined benefit pension costs less contributions payable	499	359
Defined benefit pension scheme finance cost	62	68
Depreciation of tangible fixed assets	414	394
Decrease/(increase) in debtors	350	(516)
Increase/(decrease) in creditors	71	(27)
	<u>28</u>	<u>(958)</u>
Net cash provided by/(used in) operating activities	<u>28</u>	<u>(958)</u>

22 Commitments under operating leases

At 31 August 2019 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2019	2018
	£'000	£'000
Amounts due within one year	<u>-</u>	<u>6</u>

THE WOODLAND ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

23 Capital commitments

	2019 £'000	2018 £'000
Expenditure contracted for but not provided in the Financial Statements	69	1,155

At 31 August 2019 the Academy Trust was committed to the following capital project:

Knockhall Primary School - The total expected costs for the EYFS replacement project are £1,093k. Costs incurred at 31 August 2019 were £1,025k, leaving anticipated costs to completion of £69k.

24 Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and in accordance with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Safeguarding Now Consultancy is a related party by virtue of the fact the proprietor, E Aiyere is a Member. The Academy Trust purchased services to the value of £nil (2018: £2,490) during the year. No amounts were outstanding at the balance sheet date.

In entering into these transactions, the Academy Trust has complied with the requirements of the Academies Financial Handbook 2018.

Mrs E Copsey, a close family member of Mr J Rouncefield (a Trustee) and Mr P Sharpe, a close family member of Mr D Marrow (Executive Principal and Trustee), are employed by the Trust. Their appointments were made in open competition and the respective Trustee was not involved in the decision making process regarding the appointment. The amounts paid are within the normal pay scale for their role and no special treatment is received as a result of her relationship to the respective Trustee.

25 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.